



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

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September 4, 2007

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**DEPARTMENT OF PUBLIC WORKS: LOS ANGELES COUNTY WATERWORKS
DISTRICT NO. 36, VAL VERDE, MEMORANDUM OF UNDERSTANDING FOR
PREPARATION OF THE SANTA CLARITA VALLEY WATER CONSERVATION
STRATEGIC PLAN
(SUPERVISORIAL DISTRICT 5)
(3 VOTES)**

**IT IS RECOMMENDED THAT YOUR BOARD ACTING AS THE GOVERNING BODY
OF THE LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 36, VAL VERDE:**

Delegate authority to the Director of Public Works or his designee to negotiate and execute a Memorandum of Understanding between the Los Angeles County Waterworks District No. 36, Val Verde; Newhall County Water District; Santa Clarita Water Division of Castaic Lake Water Agency; Valencia Water Company; and Castaic Lake Water Agency for a collaborative effort in the preparation and financing of the Santa Clarita Valley Water Conservation Strategic Plan, at a not-to-exceed cost of \$4,000.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this recommended action is to allow the Los Angeles County Waterworks District No. 36, Val Verde (District) to participate in and contribute to the preparation of the Santa Clarita Valley Water Conservation Strategic Plan (Plan). The Plan will identify programs and projects that can be implemented to conserve water in the Santa Clarita Valley.

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs that we provide Fiscal Responsibility (Goal 4) and Community Services (Goal 6) by preparing the Plan collaboratively to reduce administrative costs and identifying opportunities to conserve water and improve the reliability of service to the District's customers.

FISCAL IMPACT/FINANCING

The total cost for preparation of the Plan is \$200,000. The District's not-to-exceed share of the cost is \$4,000 and will be paid to the Valencia Water Company as the administrator of the consultant contract. However, there will be no impact to the County General Fund. Funding for the District's share of the cost is available in the District's Fiscal Year 2007-08 General Fund (N46). The remaining \$196,000 will be funded by Newhall County Water District, Santa Clarita Water Division of Castaic Lake Water Agency, Valencia Water Company, and Castaic Lake Water Agency.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

A Memorandum of Understanding (MOU), substantially the same form as the attached MOU, will establish the cost-sharing arrangement between the District, Newhall County Water District, Santa Clarita Water Division of Castaic Lake Water Agency, Valencia Water Company, and Castaic Lake Water Agency. The District's share of the cost is based on the number of District service connections as compared to the total of all the participating agencies. The MOU is approved as to form by County Counsel.

ENVIRONMENTAL DOCUMENTATION

The preparation of the Plan does not involve a commitment to any specific project that may result in a potentially significant physical impact on the environment. The Plan, therefore, does not constitute a project or approval of a project pursuant to Section 301 of the Environmental Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15378 of the California Environmental Quality Act guidelines.

The Honorable Board of Supervisors
September 4, 2007
Page 3

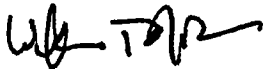
IMPACT ON CURRENT SERVICES (OR PROJECTS)

The Plan will enhance the District's service to its customers by identifying opportunities to conserve water and improve the reliability of the District's water supply. Funds for the District's share of the cost for the Plan are included in the District's Fiscal Year 2007-08 General Fund and will not have any negative impact on existing services or planned projects.

CONCLUSION

Please return two adopted copies of this letter to the Department of Public Works, Waterworks Division.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:DLW
AA:ir

Attachment

c: County Counsel

Memorandum of Understanding (MOU) between Newhall County Water District, Santa Clarita Water Division of the Castaic Lake Water Agency, Valencia Water Company, Los Angeles County Waterworks District No. 36 and Castaic Lake Water Agency to Participate In and Contribute to the Preparation of the Santa Clarita Valley Conservation Strategic Plan

This Memorandum of Understanding ("MOU") is entered into and is made effective June _____, 2007, by and between the Newhall County Water District ("NCWD"), the Santa Clarita Water Division of the Castaic Lake Water Agency ("SCWD"), the Valencia Water Company ("VWC"), the Los Angeles County Waterworks District No. 36 ("LA 36") and Castaic Lake Water Agency ("CLWA") (hereafter, collectively the "Parties" or individually as "Party").

RECITALS

WHEREAS, the Parties to this Agreement intend to cooperatively develop and participate in a Santa Clarita Valley Conservation Strategic Plan ("Plan"),

WHEREAS, water is a valuable natural resource in California, and should be managed to ensure the availability of sufficient supplies to meet both the state's and local area's agricultural, domestic, industrial, and environmental needs; and

WHEREAS, the increasing demand for water requires that conservation and elimination of waste be important strategies in the overall management of water resources; and

WHEREAS, the California Urban Water Conservation Council ("CUWCC") was formed in 1991 through the Memorandum of Understanding Regarding Urban Water Conservation in California ("CUWCC MOU"). The CUWCC MOU created 14 Best Management Practices ("BMP's") to reduce California's long term water demand that are voluntarily implemented by the signatories to the CUWCC MOU; and

WHEREAS, the Parties are signatories to the CUWCC MOU; and

WHEREAS, efficient and effective management of the public's demand for water is also an important element in meeting the long term water needs of the state and locally in the Santa Clarita Valley; and

WHEREAS, the Parties desire to work cooperatively to develop programs and projects, including but not limited to, the 14 BMP's, that will most effectively manage and utilize the Santa Clarita Valley's water resources; and

WHEREAS, the area to be covered by the Plan includes all, or a portion of, the service areas of the Parties; and

WHEREAS, VWC is willing to administer a contract ("Plan Contract") to engage a third-party consultant ("Plan Consultant") selected by the Parties to prepare the Plan, including award of the contract and its general oversight; and

WHEREAS, the Parties also are willing to provide the Plan Consultant with the necessary data to prepare the Plan and to review and comment on the draft versions of the Plan; and

WHEREAS, NCWD, SCWD, VWC, LA 36 and CLWA (herein referred to as the "Plan Consultant Funding Parties") have agreed to share in paying the costs associated with development of the Plan ("Plan Consultant Costs") to be defined in the Plan Contract, while LA 36 has agreed to provide certain in-kind services required by the Plan.

NOW, THEREFORE, in consideration of the mutual benefits to be derived by the Parties and the promises herein contained, it is hereby agreed as follows:

- (1) All recitals set forth above are true and correct, incorporated herein and constitute a part of the agreement among the Parties;
- (2) NCWD, SCWD, VWC, LA 36 and CLWA each agrees:
 - a. To provide and share all necessary and relevant information, data, studies, and/or documentation for the Plan in each Party's possession as may be requested by the Plan Consultant within thirty (30) calendar days of the request by the Plan Consultant for such information and data, with the understanding that such information may not be incorporated in the Plan due to time constraints if it is provided after said thirty (30) day period.
 - b. To review and comment on the draft versions of the Plan within twenty-one (21) calendar days from the date of receipt of said Plan or comments from the Party may not be incorporated in the Plan;
 - c. To provide the other parties with copies of all Plan documents upon request;
 - d. To pay its share of the Plan Consultant Costs to VWC within thirty (30) days of receipt of invoice from VWC;

- (3) NCWD, SCWD, VWC, LA 36 and CLWA agree to share in payment of the Plan Consultant Costs, which are estimated to be one hundred sixty six thousand nine hundred ninety nine dollars (\$166,990.00), in accordance with the percentages set forth in Paragraph (4), below. NCWD, SCWD, VWC, LA 36 and CLWA acknowledge that the Plan Consultant Costs are estimated amounts and each Party is obligated to pay its applicable share of the actual Plan Consultant Costs.
- (4) The CLWA share of the Plan Consultant Costs shall be twenty percent (20%) of the total sum and the remaining Plan Consultant Costs will be allocated among NCWD, SCWD, VWC and LA 36 based on the number of total connections for the most recently completed calendar year, as follows:
- a. The NCWD share shall be eleven percent (11%), based on its 9,346 total connections at December 31, 2006.
 - b. The SCWD share shall be thirty-two percent (32%), based on its 27,582 total connections at December 31, 2006.
 - c. The VWC share shall be thirty-five percent (35%), based on its 29,111 total connections at December 31, 2006.
 - d. The LA 36 share shall be two percent (2%), based on its 1,393 total connections at December 31, 2006.
 - e. The Parties agree that the Plan Consultant Costs shall not exceed (two hundred thousand dollars (\$200,000.00))
- (5) VWC agrees as follows:
- a. VWC shall contract for development of the Plan with a Plan Consultant that is mutually agreeable to all Parties. VWC shall perform supervision and oversight of the Plan Consultant and administer the Plan Contract. VWC will ensure that all contracts and subcontracts entered into by VWC and the Plan Consultant pursuant to this MOU contain provisions which require the Plan Consultant and any subcontractor(s) to maintain appropriate insurance, name each Party as an additional insured under each policy of insurance and indemnify, defend and hold the Parties harmless to the maximum extent permitted by law.
 - b. VWC shall ensure that the contracting parties have access to the Plan consultant's work product and receive copies of the same upon request. Each party shall receive a copy of the Plan within 30 days following its completion.
 - c. VWC shall invoice the Plan Consultant Funding Parties each month for such Party's applicable share of the Plan Consultant Costs as provided above.

- d. VWC will obtain written approval from the Plan Consulting Funding Parties prior to authorizing any change orders with the Plan Consultant.
- e. VWC shall have the right to terminate this MOU and the Plan Contract at any time upon ten (10) days prior written notice to the other Parties and the Plan Consultant in the event the monthly invoices are not paid by the Parties as provided above, in which case VWC shall return all unexpended funds to the parties and make available to them any and all work product received to date.

(6) LA 36 agrees as follows:

- a. To provide administrative services in processing Plan recommendations within LA 36's service area in any Plan adopted by LA 36's governing board.
- b. To provide other assistance as mutually agreed upon by the Parties for the successful completion of the Plan.

(7) IT IS FURTHER MUTUALLY UNDERSTOOD AND AGREED AS FOLLOWS:

- a. Each Party's governing board will give due consideration to adoption and endorsement of the Plan by resolution or other formal action by the governing board.
- b. If the governing body of any Party does not adopt the Plan within sixty (60) days after completion by the Plan Consultant, such action or inaction shall constitute automatic withdrawal from this MOU. A Party which is deemed to have withdrawn from this MOU under this subsection shall automatically be reinstated when that Party adopts the Plan and accepts and executes any additions and/or amendments to the Plan and this MOU.
- c. Upon completion of the Plan and final billing by the Plan Consultant for Plan Consultant Costs, VWC shall prepare a final billing for such costs to be reviewed and paid as provided in Section (3) above.
- d. This MOU may be amended or modified only by mutual written agreement of the Parties at the time such amendment or modification is to become effective. No waiver of any term or condition of this MOU by any Party shall be a continuing waiver thereof.
- e. This MOU shall terminate twelve (12) months after the date of execution unless renewed by mutual written agreement of the Parties prior to expiration.
- f. Notwithstanding any provision of law, including but not limited to California Government Code Sections 895 et. seq., therein, there shall not be joint and

several liability as a result of this MOU. Each party shall bear its own expense and liability. The Parties shall not be responsible for any expenses that result from the sole negligent or intentional acts or omission of another Party. The term "injury" shall have the meaning prescribed by Section 810.8 of the Government Code. This provision shall survive termination of this Agreement for a period of five (5) years.

- g. If any provision of this MOU is held, determined or adjudicated to be illegal, void, or unenforceable by a court of competent jurisdiction, the Parties agree that the remainder of this MOU shall be given effect to the fullest extent possible.
- h. Notice: Any correspondence, communication, or contact concerning this MOU shall be directed to the following:

Newhall County Water District

Mr. Stephen L. Cole
General Manager
23780 North Pine Street
Newhall, CA 91321
Fax Number: (661) 259-9673

Santa Clarita Water Division of the Castaic Lake Water Agency

Mr. Mauricio Guardado
Retail Manager
22722 W. Soledad Canyon Road
Santa Clarita, CA 91350
Fax Number: (661) 286-4333

Valencia Water Company

Mr. Robert DiPrimio
President
24631 Avenue Rockefeller
Valencia, CA 91355
Fax Number: (661) 294-3806

Los Angeles County Waterworks District No. 36

Mr. Adam Ariki
Assistant Deputy Director
900 S. Fremont
Alhambra, CA 91803
Fax Number: (626) 300-3385

Castaic Lake Water Agency

Mr. Dan Masnada
General Manager
27234 Bouquet Canyon Road
Santa Clarita, CA 91350
Fax Number: (661) 297-1610

Notice shall be deemed given upon personal delivery or fax confirmation of receipt or five (5) days after deposit in the U.S. mail, first class, postage prepaid, addressed as set forth above.

Each person signing this MOU represents that he has the necessary power and authority to bind the entity on behalf of which said person is signing and each of the other Parties can rely on that representation.

This MOU may be executed in counterparts, each counterpart being an original and integral part of this MOU.

IN WITNESS WHEREOF, the Parties hereto have caused this MOU to be executed by their respective officers, duly authorized

Newhall County Water District

By: _____
Stephen L. Cole, General Manager

Valencia Water Company

By: _____
Robert DiPrimio, President

Santa Clarita Water Division
of the Castaic Lake Water Agency

By: _____
Mauricio Guardado, Retail Manager

Los Angeles County Waterworks
District No. 36

By: _____
Adam Ariki, Assistant Deputy Director

Castaic Lake Water Agency

By: _____
Dan Masnada, General Manager